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CENTRAL INTELLIGENCE AGENCY

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SUBJECT Industrial Plants in Dairen

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THIS IS UNEVALUATED INFORMATION

1. The name of the former Southern Manchurian Railway Works in Dairen is now the Main Shops of the Chinese Changchun Railway. In Russian the name is "Glavnie Masterskie Kitaisko-Changchunskoi Zheleznoi Dorogi." nothing was removed from these shops by the Soviets and probably the great majority of equipment was saved from looting by the Chinese because the shops were in the custody of the Soviet Army. information on the shops' location, dimensions, and equipment is available from Japanese documents of the 1920's. they have very heavy equipment. There were cranes capable of hoisting the heaviest locomotives used on the railway. The cranes were in working order. There were also machines to build locomotives, railway passenger cars, and railway freight cars of 50 tons. the shops were incapable of casting axles The railway USSR ved some new machinery from the to produce many kinds of machines as well as various items made from iron. The shops had the capacity the engineers of the works were of a very conservative turn of mind or perhaps were very limited specialists. In any event, they did not want to produce anything not closely related to railway equipment. For example, only after strong pressure from the local civilian headquarters of the Soviet Army would they agree to manufacture steam winches and even then the finished product failed to pass inspection. On the other hand, they could produce successfully steam cranes used on railways for emergency work. These cranes made for the USSR were more difficult to produce than the steam winches. In 1951 the shops began to produce freight cars. the order for the first year was for approximately 200 cars only. I think the order was placed so as to begin again a type of production which had formerly been done. the works now produce between 700 and one thousand freight cars per year. However, they personnel than did Machine Factory No 17. the total number of employees must be around four thousand; certainly no more than five thousand men and women.

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2. [redacted] four subsidiaries of the Chinese Changchun Railway in Dairen (there may have been more than four): 50X1-HUM

(a) The Switch Plant was one of the subsidiaries. It had been located in the building which later became the Second Mechanical Shop of Factory No 17 [redacted] it was intact in 1945. It had about 10 planers, one heavy hydraulic press (its diameter of work was more than one meter, thickness of work up to one inch; these figures are very approximate), and two heavy eccentric presses. These presses were used to make holes in cold sheets of up to one inch thickness and to bend material so as to produce parts used to connect railroad rails. The above was the main equipment of the switch plant. In addition there were some heavy radial drills, some lathes, etc. There was one bridge crane which was left for No 17 and to replace it No 17 installed a new crane in the new building of the switch plant. There was also a small foundry which had been located in the building later occupied by the Repair Shop of No 17. In 1949, after prolonged negotiations, the switch plant was transferred to the extreme western part of the railway shops' premises. Factory No 17 had to build a new shop on the territory and move the equipment of the switch plant to the new location. The number of workers was between one and two hundred. [redacted] three or four Soviets - the manager and several foremen - were employed in the plant. None of them had an engineering degree. 50X1-HUM

(b) The Signal Plant produced bodies for railway signals and some other items made by the cold pressing process. It was located close to the former Dairen Kikai plant (that section of it which is now Factory No 18). The location of the signal plant is along the southeastern border of the Kikai installation. [redacted] 50X1-HUM [redacted] neither Soviets nor Russians there. The workers numbered not over 100. 50X1-HUM

(c) The Shop of the Dairen (or Dalny) District of the Track and Building Department of the Railway was called, in Russian, "Masterskie Dalinskovo Uchastka Sluzhbi Putei." It was situated very close to the main railway line, near to Daldock. [redacted] 50X1-HUM [redacted] there were approximately 100 employees and [redacted] the shop had light equipment for repair work and erecting small new structures as well as for producing different types of articles in small lots.

(d) The Sewing Plant was situated in Dairen, in New Chinatown, which was between the main street and the railway next to the former Suzuki plant. It produced canvas covers for gondola cars and also made work clothing. The sewing plant opened on a very small scale during the period of 1946-49 and used material from its old stocks. [redacted]

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3. [redacted] the Chinese Changchun Railway had additional auxiliary plants in Dairen [redacted] Soviet managerial activity in Dairen undoubtedly was most noticeable in the Chinese Changchun Railway and in its shops. [redacted] it was immediately after the Japanese surrender, that a staff of Soviet personnel was brought in from the USSR for the railway. The staff was very small when compared to the large offices of the railroad, but it was composed in toto of Soviets, the great majority of whom were from the USSR. However, about 10 or 20% were local Russians mostly employed in non-technical work. Some Japanese technicians and interpreters were retained in 1945. [redacted] However, in the railroad shops Chinese employees surely must have received immediate promotion to the lower engineering positions. [redacted] The Soviet staff in the office was decreased, but not sizeably so. Among the office staff perhaps 25% were then Chinese. [redacted] personnel on railway stations were then all Chinese. In the shops [redacted] some Chinese were already sitting in the offices. [redacted] the railway and the port were the two activities considered most important by the Soviet administration and that these two enterprises were the

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last to be turned over in full to the Chinese administration. The main consumer of the work of the railway shops and of its subsidiaries was the Chinese Changchun Railway itself. During the period of 1947-50 the shops had some orders for the USSR, but these were placed primarily to keep the shops busy. In 1951 the railway shops in Dairen began to produce items for use on all Chinese railways, ie orders for railroad cars were not only for the Chinese Changchun Railway or only for the Northeastern Government. In regard to general information on inputs for the railroad shops, the data on inputs for Factory No 17 would be applicable The territories and buildings of the railway shops were very large. The shops were planned by Russians in 1897 and 1898 as a large installation and were greatly expanded by the Japanese during the period of 1907-40. its capacity is even higher than would be indicated by actual records of production during the best years. the shops were specialized for railroad repairs and manufacture of railroad cars and locomotives.

4. The location of Daldock (or Dairen Dock as it was called under the Japanese) is shown on overt maps. When the Soviets arrived in 1945 they sent to Daldock a group of marine technicians under the leadership of (fnu) Zheltovsky. He proved to be a good organizer, of strong and independent character, and with good manners. He was in that post for about five years. he went through the "irregular" Soviet university education of "Rabfak" (Rabochi Fakultet - workers' faculty, which was prevalent in the Soviet educational system in the early 1920's). almost no machinery was taken from the dock. The only exceptions were a tower crane from Dairen and one or two floating cranes from Port Arthur. Some machines were imported for Daldock from the USSR. the equipment included gear-cutting lathes, drills, eccentric presses and polishing machines. told about a ship chain producing machine. plans for 1946-47 called for Daldock to repair any types of ships of the Soviet Merchant Marine. All of these ships needed repairs, as they had been overworked during World War II. Most of them were old ships which had been turned over to the USSR by the US under Lend-Lease. In that period of 1946-47 the harbor of the dock was full of ships awaiting repairs. Later the missions of Daldock were changed. The main goal became repair of ships for polar voyages, from Vladivostok to the northern Siberian shore and sometimes up to Archangelsk. The ships were to be ready by July and were to go to Vladivostok for loading. These ships or others of a similar type returned to Dairen late in the fall. The months in between were used to make repairs in connection with polar voyages. To fulfill the second goal of Daldock, a separate department under Daldock was set up and engaged in ship building to meet the needs of Soviet Far Eastern ports. The first order placed in 1948 was for lighters to be used at Kamchatka and in the Kuriles. Later an order for sea-going tugs was received. Diesel motors for the tugs came from the USSR.

Several Japanese engineers were retained at Daldock. Some local Russians were also employed but not many, and not in important positions. One of the most prominent of these local Russian employees was L L Lovtsevich, who had been a Major-General of the General Staff of the White Army. He was deported to the USSR in about 1950. The main staff was composed of Soviet ship engineers. They were not of a high educational level they were taken from ships rather than from shops. They were not very well trained in electric welding. As a result, during the period of 1947-49, Daldock asked Factory No 17 to act as contractor to do welding work connected with the production of lighters and sea-going tugs and with the pipe system of ships. Later, Daldock was able to do this work itself. The total number of workers at Dairen Dock was

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foundry, all other materials came from the USSR); transformers of 20 kw, 50 kw and 100 kw (bodies for the transformers were ordered from No 17, oils and iron sheets were received from the USSR; they used only specia 50X1-HUM very soft iron sheets and did not utilize stainless steel). The personnel of this plant totalled about 400 when the plant belonged to DALENERGO. 50X1-HUM The manager was a Soviet engineer but not highly trained. Some local Russians were employed as technicians and office workers. Among the Chinese workers there were many girls.

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8.

No 17 produced two parts for the "Faust Patron," an anti-tank weapon similar to Factory 50X1-HUM a small bazooka. However, the main part of this order had been placed with several Mukden factories.

Factory No 18 in 1948 and 1949 produced submachine guns of Soviet design.

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9. In regard to the automotive industry

Factory No 17 50X1-HUM produced some pistons, piston rings, shafts, and tools for motor cars and trucks. The largest repair shop for cars and trucks was that of the transportation department of DALENERGO, which was situated in the beginning of the same street on which were located Factories No 17 and 18. This repair shop was close to the premises of the Amanagawa electrical plant. The buildings of the repair shop had formerly served as a depot for buses. During the Korean War all new trucks just received from the USSR were sent to Korea, along with their drivers, whether those drivers wished to go or not.

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